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BEFORE THE ARIZONA CORPORATION

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COMMISSIONERS

MIKE GLEASON, Chairman  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
KRISTIN K. MAYES  
GARY PIERCE

200 JUN -2 P 4:51

ARIZONA CORPORATION  
DOCKET CONTROL

IN THE MATTER OF THE  
APPLICA-TION OF PERKINS  
MOUNTAIN WATER COMPANY FOR  
A CERTIFI-CATE OF CONVENIENCE  
AND NECESSITY IN MOHAVE  
COUNTY.

DOCKET NO. W-20380A-05-0490

IN THE MATTER OF THE  
APPLICA-TION OF PERKINS  
MOUNTAIN UTILITIES COMPANY  
FOR A CERTIFI-CATE OF  
CONVENIENCE AND NECESSITY IN  
MOHAVE COUNTY.

DOCKET NO. SW-20379A-05-0489

**NOTICE OF FILING  
SUPPLEMENTAL INFORMATION**

On November 30, 2007, Perkins Mountain Water Company and Perkins Mountain Utility Company (collectively "Applicants") filed with the Arizona Corporation Commission an Amendment to the Applications for Certificates of Convenience of Necessity ("Amended Application"). The Amended Application stated:

As of November 29, 2007, Utilities Inc. is the sole shareholder of the Perkins Companies with control over the operations of the Perkins Companies and the Applications. Utilities Inc. has no ownership interest in any entity owned by or controlled by James Rhodes or any of Mr. Rhodes' affiliated business enterprises. Likewise, neither Mr. Rhodes nor any of his affiliated business enterprises have any ownership interest in Utilities Inc. or any entity controlled by or under common control with Utilities Inc.

Applicants, through counsel undersigned, hereby submit the following affidavits in support of the Amended Application and specifically, the statement quoted above:

- Affidavit of John Hoy, Chief Regulatory Officer of Utilities, Inc.
- Affidavit of James Michael Rhodes

Arizona Corporation Commission

**DOCKETED**

JAN \_ 2 2008

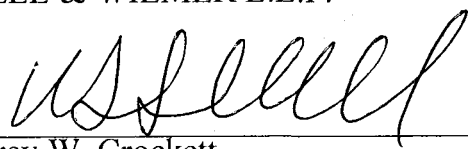
<sup>1</sup> Amended Application page 4, line 22 through page 5 line 3.

DOCKETED BY

1 RESPECTFULLY SUBMITTED this 2nd day of January, 2008.

2 SNELL & WILMER L.L.P.

3  
4 By

  
Jeffrey W. Crockett  
Bradley S. Carroll  
One Arizona Center  
400 East Van Buren  
Phoenix, Arizona 85004-2202  
Attorneys for Perkins Mountain Water  
Company and Perkins Mountain Utility  
Company

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8  
9 ORIGINAL and 15 copies filed this  
10 2nd day of January, 2008, with:

11 Docket Control  
12 Arizona Corporation Commission  
13 1200 West Washington  
14 Phoenix, Arizona 85007

15 COPY of the foregoing hand-delivered  
16 this 2nd day of January, 2007, to:

17 Dwight D. Nodes, Administrative Law Judge  
18 Hearing Division  
19 Arizona Corporation Commission  
20 1200 West Washington  
21 Phoenix, Arizona 85007

22 Keith Layton, Staff Attorney  
23 Legal Division  
24 Arizona Corporation Commission  
25 1200 West Washington  
26 Phoenix, Arizona 85007


27 Ernest Johnson, Director  
28 Utilities Division  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

1 COPY of the foregoing mailed this  
2 2nd day of January, 2008 to:

3 Booker T. Evans, Jr.  
4 Kimberly A. Warshawski  
5 Greenberg Traurig, L.L.P.  
6 2375 East Camelback Road, Suite 700  
7 Phoenix, Arizona 85016

8 Scott Fisher  
9 Sports Entertainment  
10 808 Buchanan Blvd., Ste. 115-303  
11 Boulder City, Nevada 89005

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A handwritten signature in cursive script, appearing to read "Jessica D. Neel", is written over a horizontal line.

## AFFIDAVIT OF JOHN HOY

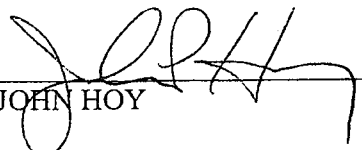
STATE OF ILLINOIS       )  
                                  ) ss.  
County of Cook           )  
\_\_\_\_\_)

I, John Hoy, being first duly sworn upon my oath, do state as follows:

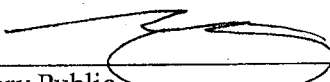
1. I am over 18 years of age and have personal knowledge of the matters set forth in this affidavit.
2. My business address is 2335 Sanders Road, Northbrook, Illinois, 60062.
3. I am the Chief Regulatory Officer of Utilities, Inc., an Illinois corporation.
4. On November 29, 2007, Utilities, Inc. acquired 100 percent of the stock of Perkins Mountain Water Company and Perkins Mountain Utility Company ("Perkins Companies") from Rhodes Homes Arizona, L.L.C., an Arizona limited liability company ("Rhodes Homes").
5. Upon information and belief, Rhodes Homes is 100 percent owned and controlled by James M. Rhodes.
6. In August 2007, Utilities, Inc. became aware that Rhodes Homes was interested in securing a water and wastewater provider to provide utility services to its proposed master planned communities at Golden Valley South and The Villages at White Hills ("Proposed Projects") in Mohave County, Arizona and was interested in transferring the stock of the Perkins Companies to such provider in order to proceed with the Applications for Certificates of Convenience and Necessity that were pending before the Arizona Corporation Commission in Docket Nos. W-20380A-05-0490 and SW-20379A-05-0489.
7. In September 2007, representatives of Utilities, Inc. met with a representative of Rhodes Homes to discuss the possibility of Utilities, Inc. providing utility service to the Proposed Projects and acquiring the Perkins Companies as Utilities, Inc. was interested in expanding its business operations in the State of Arizona.
8. Throughout September, October and November of 2007, representatives of Utilities, Inc. negotiated with representatives of Rhodes Homes and legal counsel for the Perkins Companies that culminated in the execution of the Stock Purchase and Utility Services Agreement on November 29, 2007.
9. James M. Rhodes and his affiliated entities have no direct or indirect ownership interest, control or affiliation with Utilities, Inc. whatsoever nor does Mr. Rhodes or any of his affiliates have or will have any direct or indirect ownership or control of the Perkins Companies.

10. Neither Mr. Rhodes nor his affiliates will have any role in the operation of the Perkins Companies.

Further Affiant sayeth not.

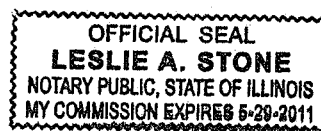
  
JOHN HOY

SUBSCRIBED and sworn to before me this 21st day of December, 2007.

  
Notary Public

My Commission Expires:

5-29-2011



## AFFIDAVIT OF JAMES MICHAEL RHODES

STATE OF NEVADA       )  
                                  ) ss.  
COUNTY OF CLARK       )

I, James Michael Rhodes, being first duly sworn upon my oath, do state as follows:

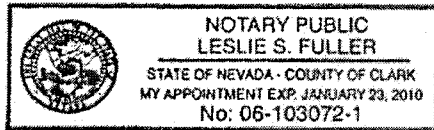
1. I am over 18 years of age and have personal knowledge of the matters set forth in this affidavit.
2. My business address is 4730 S. Fort Apache Road, Las Vegas, Nevada, 89147.
3. I am the President and sole shareholder of Sagebrush Enterprises, Inc., a Nevada corporation.
4. Perkins Mountain Water Company and Perkins Mountain Utility Company ("Perkins Companies") were each 100% owned and controlled by Rhodes Homes Arizona, L.L.C. ("Rhodes Homes"), which is 100% owned and controlled by The Rhodes Companies, LLC, which is 100% owned and controlled by Sagebrush Enterprises, Inc.
5. On November 29, 2007, Utilities, Inc. acquired 100 percent of the stock of the Perkins Companies from Rhodes Homes pursuant to a Stock Purchase and Utilities Services Agreement ("Agreement").
6. In August 2007, Rhodes Homes initiated discussions with Utilities, Inc. to provide utility services to the proposed master planned communities at Golden Valley South and The Villages at White Hills ("Proposed Projects") in Mohave County, Arizona.
7. In September 2007, Rhodes Homes met with Utilities, Inc. to discuss the possibility of Utilities, Inc. providing utility service to the Proposed Projects and acquiring the Perkins Companies.
8. Throughout September, October and November of 2007, representatives of Utilities, Inc. negotiated with representatives of Rhodes Homes and legal counsel for the Perkins Companies that culminated in the execution of the Agreement. I was not directly or personally involved in the negotiation of the Agreement.
9. Neither I (nor any of my affiliated entities in which I have any direct or indirect ownership interest, control or affiliation) had, have or will have, any direct or indirect ownership interest or control of Utilities, Inc. or any of its affiliates, including the Perkins Companies.

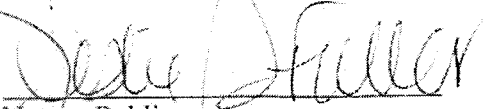
10. Neither I, nor any of my affiliates, employees or agents, have or will have any role in the operation of the Perkins Companies.

Further Affiant sayeth not.

  
JAMES MICHAEL RHODES

SUBSCRIBED and sworn to before me this 2nd day of January, 2008.



  
Notary Public

My Commission Expires:

1-23/10